

*PACE is a  
Program of All-Inclusive Care  
for the Elderly.*

## *A New PACE of Caring:*

*Helping Seniors  
to Continue  
Living at Home  
in Their Community.*

Program Prospectus  
PRE-DESIGN DRAFT-  
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## Executive Summary

**It's about providing the help for Grand Traverse seniors that enables them to remain in their homes as long as they can.**

Since the early 1900s through its predecessors, the Grand Traverse Pavilions has been a community of caring and innovation for seniors in our region. The Pavilions prides itself in providing superior care and "cutting edge" new programs to meet the ongoing needs of seniors in the Grand Traverse region and beyond for the past century. Its award winning approach is not only recognized locally for meeting community needs but also amongst peers and national organizations for the quality of care and programs. The Pavilions, owned by Grand Traverse County (MI) and governed by the Grand Traverse County Department of Human Services Board, is a financially self-sustaining community, using no public funding or county support for its operations.

Providing **Program of All-Inclusive Care for the Elderly (PACE)** is the natural next step for the Grand Traverse Pavilions to continue to meet the increasing needs of individuals in the Grand Traverse County and surrounding area. With more than 30 years of proven success, PACE provides seniors comprehensive and quality care allowing them to continue living in their homes and communities. With more than, 90 centers across the nation, PACE programs care for the elderly in a unique, home-like, community environment. The Pavilions PACE Center would offer a warm, airy environment where friends come together and where care and health needs are met.



PACE utilizes an interdisciplinary team to ensure the most comprehensive care possible. Physicians, nurses, care managers, social workers, therapists, and many others meet each morning to share observations of a senior whose conditions have recently changed. By having the same core primary care providers, seniors build relationships and confidence in the care they receive. Throughout these interactions, PACE staff are able to monitor participants closely, but unobtrusively, allowing them to detect even subtle changes in needs. These small changes, if left untended, could result in painful and acute care episodes. And, in an effort to provide all qualified seniors with the benefit of this effective health maintenance program, a transportation system will provide door-to-door service to bring people to the PACE Center and home again.

Seniors who utilize the PACE Center will continue in their own homes, with the help of home care professionals with the interdisciplinary team direction. Where necessary or possible, their homes may be retro-fitted to enhance their daily living,

So, participants will have access to transportation, 24/7 care, personal one-on-one relationships with care-givers, and assistance in improving their daily living.. All in order to keep them healthy and meet their daily needs.

To make this a reality, the Grand Traverse Pavilions Foundation will be conducting a capital campaign to fund the construction of the Center and necessary program start-up costs. The Campaign will encourage philanthropists, businesses, and the general public to join in this effort to provide comprehensive healthcare to the specific needs of seniors allowing them to remain in their homes as long as possible.

Increasingly, seniors want to receive health care that is more convenient for them, and that does not take away from their independence. As part of the Pavilions' core mission and values, our direction is to build senior health programs like the PACE program to provide the opportunity for all seniors, to live at home as long as possible, and significantly add to their quality of life.

## **Background of Grand Traverse Pavilions**

Evolving since the early 1900s, the Pavilions has offered adult day and overnight respite, dementia services, assisted living, short and long-term rehabilitation, skilled nursing, outpatient therapy, and health and wellness programs.

Located on beautiful and historic Grand Traverse Commons in Traverse City, Michigan, the Pavilions is adjacent to Elmwood Avenue and Seventh Street near Munson Medical Center. The community is owned by Grand Traverse County and governed by Grand Traverse County Department of Human Services. The Pavilions is a **self-sustaining community using no public funding or county support for its operations for more than 25 years**. Grand Traverse Pavilions is the largest county-owned nursing facility in Michigan with 240 skilled long-term nursing home beds and a 78 unit assisted living facility and provides over \$3.0 million per year in uncompensated care. Currently the Pavilions has a \$26 million operating budget and approximately 450 employees.

Established in 1997 by community leaders, Grand Traverse Pavilions Foundation is the philanthropic and giving enterprise supporting the work and mission of the Pavilions. The Foundation supports the programs and services of this intergenerational community center. The Foundation is a designated 501(c)3 nonprofit corporation (EIN 38-3359796) in the State of Michigan. The Foundation is the community group that is conducting this capital campaign to create a new PACE Center.



## **What is PACE? A new model of care...**

The **Program of All-inclusive Care for the Elderly** (PACE) model is centered around the belief that it is better for the well being of seniors with chronic care needs and their families to be served at their home in the community whenever possible.

It is common for the elderly to delay seeking medical attention because they cannot afford the care or it is too difficult and confusing to access services. Untreated conditions contribute to a steady decline of mood, depression and isolation not only for the elderly, but also their families and caregivers. Eventually, a condition that was once treatable through preventive health care may now require an emergency room visit and perhaps an admission to a nursing home.

PACE utilizes an **interdisciplinary team** to insure the most comprehensive care possible. Physicians, nurses, care managers, social workers, therapists, and many others meet each morning that the Center is open to share observations of a senior whose condition recently changed. By operating as a team with a PACE center, seniors have regular contact with the same core primary care providers who can personally know them and the scope of their capabilities. Throughout these interactions, PACE staff have opportunities to monitor participants closely, but unobtrusively, for even subtle changes in needs. These small changes, if left untended, could mean painful and acute care episodes.

Medicare and/or Medicaid **pays a flat monthly fee** to have this service provided by a registered non-profit care provider or governmental entity. These services are provided to the enrolled senior 24/7/365 care as long as they choose to be enrolled in PACE. In this model, the government provides this funding with “no strings attached” providing flexibility for the organization to meet all the health needs of the senior without the rigorous Medicare/Medicaid approval process. This funding makes this health care model financially stable once the building is built and start-up funds are raised. Many PACE programs do not exclude participants who are able to pay the monthly pre-



mium privately. **The PACE Center pays for all care and treatment for the life of the participant no matter the care they need.**

The first PACE program originated in San Francisco, CA in 1971 and there are now 103 PACE programs that are operational in 31 states. In Michigan they include:

Center for Senior Independence – Detroit Northwest  
Center for Senior Independence – Rivertown PACE Center  
CentraCare – Battle Creek  
CentraCare – Kalamazoo  
Care Resources – Grand Rapids  
Huron Valley PACE— Ypsilanti  
LifeCircles – Muskegon  
PACE of SW Michigan – St. Joseph

There are PACE Centers in development in Flint, Saginaw, Lansing, Jackson, and Traverse City.

PACE has **redefined the meaning of healthcare** for seniors and established a new trend of healthy aging. Under the PACE model, this vulnerable population now has within their grasp a simple way to access healthcare that provides them with the support they need to continue to age in their home with independence, dignity, and choice. Increasingly, seniors want to receive health care that is more convenient to them, and that does not take away from their independence. As part of the Pavilions' core mission and values, our direction is to build senior health programs like the PACE program providing the opportunity for all seniors, to live at home as long as possible that will significantly add to their quality of life.

### **Benefits for Seniors**

PACE serves individuals:

- who are age 55 or older
- certified by their state to need nursing home care
- are able to live safely in the community at the time of enrollment, and
- live in a designated PACE service area in Northern Michigan

Keeping the participant in their home is core the services provided to them through the PACE program. Only about seven percent (7%) of all PACE participants currently reside in nursing homes.

### **Center-based Health & Support Services**

A PACE center provides care for seniors **by delivering all needed medical and supportive services**. The program is able to provide the entire continuum of care and services to seniors with chronic care needs while maintaining their independence in their homes for as long as possible.

Care and services provided typically include:

- adult day care that offers nursing; physical, occupational and recreational therapies; meals; nutritional counseling; social work and personal care
- medical care provided by a PACE physician familiar with the history, needs and preferences of each participant
- home health care and personal care
- retrofitting home for care and accessibility
- all necessary prescription drugs
- social services
- mental health services
- medical specialists such as audiology, dentistry, optometry, podiatry, and speech therapy
- respite care
- hospital and nursing home care when necessary

The PACE model recognizes the fact that health care does not only occur in a clinical setting, so **an in-home care team** provides services.

Transportation is critical for PACE participation and is provided by the Center as a simple solution to overcome a common barrier that prevents seniors in getting needed healthcare services.



## ***Sound Financial Model Based on Seniors Living in Our Region***

Palmetto Senior Health Consulting (SC), a PACE Center provider and consultant for the development of PACE Centers, conducted an operational feasibility study in Fall 2012. According to Palmetto, enrollment of 78 participants will be the “break even” point financially for the program. Enrollment by year 5 should grow to 140 participants at a rate of 3 to 4 enrollees per month. At this point in time the PACE Center at the Grand Traverse Pavilions would be fiscally sound with a budget of \$11 million, a staff of more than 50, and a provider network of 100 plus medical professionals and providers to serve these participants.

The defined service area would include the Michigan counties of Benzie, Grand Traverse, Leelanau, and parts of Antrim, Kalkaska, Manistee, and Wexford counties. Palmetto estimates that conservatively there between 1,041 and 2,241 Medicare/Medicaid eligible people living in this defined area. Nationally only 9% of this population is needed to be enrolled in order for a PACE program to be successful. We received our Letter of Intent to build the program from the Michigan Department of Community Health.

We are currently reviewing a proposal to renovate and equip the old Grand Traverse County Health Center at 2325 N Garfield Road in Traverse City for a PACE Center. It's 18,000 sq.ft. size, location, and that it was a medical clinic with offices seems to be ideally suited for the needs of the program.

With the initial investment of \$3 million including building and start-up cost, the program should be “break even” in year three and near capacity in year five having an income of \$11 million each year, all things being equal.

### ***Cost of PACE Program at the Grand Traverse Pavilions***

Renovation the New PACE Center	\$ 750,000
Equipment, program staffing, transportation, one-time start-up costs, campaign, operational expense, and reserves	<u>\$ 2,250,000</u>
Total	\$ 3,000,000

### ***Service Area of PACE Program at the Grand Traverse Pavilions***

The blue line represents a 60-minute travel time on average from the PACE Center at the Pavilions.



## ***Capital Campaign to Raise Donations for PACE***

The Grand Traverse Pavilions Foundation has conducted a philanthropic feasibility study among regional leaders to measure the feasibility and success of a capital campaign to build the new PACE Center. The study concluded that a 12-18 month in-depth community awareness program about the Pavilions, the Pavilions Foundation, and the PACE concept was needed prior to a capital campaign. In addition, during this time, the Foundation and the Pavilions will need to reach out to regional philanthropic leaders to begin the process of building relationships that will lead to major gifts.

Once a community awareness program is complete, the Grand Traverse Pavilions Foundation will embark on its first major capital campaign. In keeping with the Northsky Feasibility Study, the first working goal of the campaign will be \$3 million. Donations raised beyond need will establish an working endowment for the program.

The Foundation Board of Directors will act as the Campaign Steering Committee. The Foundation will recruit top regional leadership to form various campaign committees to solicit top philanthropists, businesses/companies, charitable foundations, and eventually the public, residents of Pavilions and their families to raise the necessary cash donations and multi-year pledges. Prospective major donors will be solicited by securing the largest gifts first and then at the appropriate time move to a public campaign.

### ***Timeline***

2012: Operational Feasibility Study by Palmetto Senior Health Consulting;  
Philanthropic Feasibility Study by Northsky Nonprofit Network

2013/2014: Educate community; Letter of Intent; Partnerships/Stakeholders; PACE Center architectural design. Raise funds; Start formal application process

2015: Operational development & PACE Center building constructions

2016: Open for care



*Pictures from CareCenter in Battle Creek & Kalamazoo, MI; PACE Centers in that region.*

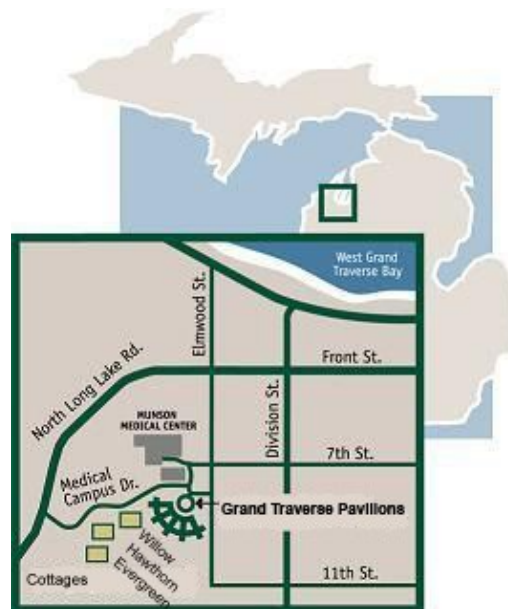
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# GRAND TRAVERSE PAVILIONS FACT SHEET

Grand Traverse Pavilions is the first and only public, nonprofit Continuing Care Retirement Community north of Grand Rapids.

As parent organization, Grand Traverse Pavilions consists of Grand Traverse Medical Care, Intergenerational Community Center, Grand Traverse Pavilions Foundation, The Cottages: Assisted Living Community, and The Wellness Center.

The Pavilions is the only locally-owned and locally-operated nonprofit organization in Michigan that offers a broad range of intergenerational health care and residential programs and services in a shared environment.

Grand Traverse Pavilions is operated by the Grand Traverse County Department of Human Services Board and owned by Grand Traverse County. Our programs and services are community-based and community-focused.

Ranked among the county's top 10 employers, Grand Traverse Pavilions employs more than 420 full-time and part-time staff.

Included among The Pavilions innovative care options are adult day and overnight respite services, employee child care, Alzheimer's and related dementia care, long-term skilled nursing care, rehabilitative therapy services, independent and assisted living.

Fiscally self-sufficient for more than 25 years, Grand Traverse Pavilions does not rely on any county monies for operations.

The Pavilions is home to approximately 330 residents who range in age from 42 to more than 100 years old.

The Rehab Center at Grand Traverse Pavilions opened July 5, 2011, and consists of 21 private and semi-private suites.

As a non-profit organization, Grand Traverse Pavilions relies on the development efforts of the Grand Traverse Pavilions Foundation to provide for those programs, services, equipment, and supplies not covered by traditional reimbursement.

As Grand Traverse Pavilions looks to the future, strategic planning and development will center on additional residential initiatives, growth of the foundation, and restoration of the community's eight-acre arboretum.

